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1972

STATE DOCUMENTS

FEB 23 1973

STATE OF MONTANA

BOARD OF HAIL INSURANCE

Office Of

E. V. "SONNY" OMHOLT

STATE AUDITOR

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EXECUTIVE ADMINISTRATORADRIEN R. LONG, CHAIRMAN
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DUTTON, MONTANA 59433THOMAS A. DEVENY
FORSYTH, MONTANA 59327ALEX B. STEPHENSON
HELENA, MONTANA 59601
STATE TREASURERGEORGE T. LACKMAN
HELENA, MONTANA 59601
COMMISSIONER OF AGRICULTURE

BUSINESS SUMMARY FOR 1972

Total Risk Written	\$10,177,714.32
Premium Charge	908,297.06
Losses Paid	380,439.22
Policies Issued	2,585
Acres Insured	939,416
Average Acres Insured Per Policy	363.4
Acres Reported Damaged	99,615
Losses Filed	471
Days With Hail	63
Loss Ratio	42 %
Average Rate Charges	8.9%

CAREFULLY STUDY THE STIPULATIONS
AND AGREEMENTS ON THE BACK
OF YOUR POLICY

In case of a hail loss on your insured fields, take time to inspect your entire acreage so you will know where the loss is located. File a loss claim within the three day limit. Claims cannot be accepted that are filed without the claimant's signature or are filed later than two weeks after the loss occurred. If notice of the loss is not received within three (3) days the cost of the adjustment may, at the discretion of the Board, be charged to the claimant. Be sure to read the "Special Instructions" attached to your loss claim.

Please see that the acres and land description on your loss claim correspond to those on your policy.

Any agreements on adjusting must be cleared by writing the State Board of Hail Insurance, Helena, Montana. Adjusters are not authorized to make deals with the claimant.

In case a loss is located in more than one County, a loss claim must be filed for each County.

When the adjuster comes, accompany him over your fields so there will be no misunderstanding.

REPORT OF THE 1972 OPERATION OF THE STATE BOARD OF HAIL INSURANCE TO OUR GRAIN GROWERS

As required by Section 82-1519, R. C. M. 1947, and as a matter of information a report of the 1972 season is hereby submitted.

TOTAL RISK BY KINDS OF GRAIN — 1972

Winter Wheat	\$ 4,668,005.80
Spring Wheat	3,211,875.50
Oats	187,893.80
Flax	900.00
Barley	2,023,457.52
Rye	600.00
Beans	5,478.00
Speltz	888.00
Mustard	2,280.00
Triticale	5,704.00
Safflower	36,944.00
Grass Hay	5,928.00
Beets	4,000.00
Corn	3,084.00
Grass Seed	18,072.00
Bird Seed	2,064.00
Alfalfa	540.00
	\$10,177,714.32

TOTAL ACRES INSURED — 1972

Winter Wheat	423,024.4
Spring Wheat	283,781.8
Oats	16,291.9
Flax	75.0
Barley	210,006.1
Rye	60.0
Beans	307.0
Speltz	74.0
Mustard	190.0
Triticale	503.0
Safflower	3,274.0
Grass Hay	494.0
Beets	168.0
Corn	197.0
Grass Seed	753.0
Alfalfa	45.0
Bird Seed	172.0
	939,416.2

LOSSES BY KIND OF GRAIN

Winter Wheat	\$ 137,121.49
Spring Wheat	128,724.85
Barley	98,013.98
Oats	12,202.76
Beans	359.32
Flax	330.48
Corn	695.52
Triticale	140.10
Safflower	2,850.72
	\$ 380,439.22

HAIL STORMS FOR 1972 — The first reported hail loss came from Powder River County, June 1st. Final loss reports were from Richland, Liberty and McCone Counties on September 12th.

July had the most days of hail, with 20.

ADJUSTMENT OF LOSSES

470 hail losses were filed. Our thanks and appreciation to our Adjusters for a job well done; also, to the participating County Treasurers and Assessors for their cooperation in writing hail insurance and assistance to our policy holders.

LATE LOSSES

Each year a number of late losses are received, some after harvest. When this happens, a satisfactory adjustment is difficult. Please send your hail loss claim promptly.

PAYMENTS TO COUNTIES AND STATE — 1972

Section 82-1511, R. C. M. 1947, provides a payment of 1% of gross annual levies collected in individual counties to be made to the County Treasurer and 2% to the State Treasurer. Approximate payments of \$9,082.97 will be pro rated to the various counties participating in the Hail Insurance Act. Payments to the State Treasurer are anticipated at \$18,165.94.

INVESTMENTS

Amount		Int. Rate	Mat. Date	Interest Received
\$ 450,000.00	FLB	5¾	7-22-76	\$24,187.75
200,000.00	FLB	6¾	10-20-77	6,350.00
200,000.00	1st West Side Bank, Gt. Falls	5¾	4-18-73	10,407.86
350,000.00	Firestone Rubber & Tire	7.30	10-15-01	12,775.00
\$1,200,000.00				\$53,720.61

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DETAIL STATEMENT — RISK, LEVY, LOSSES AND LOSS RATIOS

County	1972 Risk	1972 Levy	1972 Losses	Risk vs. Loss Ratio	Levy vs. Loss Ratio
Big Horn	\$ 298,162.00	\$ 31,133.19	\$ 5,073.45	2 %	16%
Blaine	327,661.00	34,701.34	12,170.71	4	35
Carter	25,514.00	2,566.13	2,465.82	10	96
Cascade	18,632.00	1,345.30			
Chouteau	737,801.34	53,829.48	20,970.13	3	38
Custer	6,374.00	661.20			
Daniels	396,543.00	32,060.19	28,385.80	7	88
Dawson	324,056.52	32,608.96	4,590.91	1	14
Fallon	368,407.50	37,250.68	8,231.18	2	22
Fergus	510,114.25	48,264.82	45,324.28	9	94
Gallatin	2,600.00	224.64			
Garfield	211,204.00	19,808.90	375.60		2
Glacier	176,458.00	12,814.62	468.00		4
Golden Valley	45,284.00	4,636.93			
Hill	566,737.00	46,388.94	5,214.46		11
Judith Basin	408,926.00	38,586.41	29,731.23	7	77
Lewis and Clark	789.00	47.34			
Liberty	736,763.00	61,526.77	59,693.98	8	97
McCone	1,052,296.00	106,521.64	35,005.66	3	33
Musselshell	4,377.80	463.64			
Phillips	200,748.20	17,115.79	3,766.12	2	22
Pondera	247,268.00	16,827.35	18,230.40	7	108
Powder River	122,706.00	12,357.01	11,963.68	10	97
Prairie	161,038.00	16,123.41	25.92		
Richland	795,425.51	81,283.52	31,452.49	4	39
Roosevelt	303,706.00	24,301.39	22,797.63	7	94
Rosebud	16,626.80	1,552.37			
Sheridan	867,324.00	69,933.85	1,039.46		1
Stillwater	50,650.00	4,598.13	6,105.69	12	113
Teton	414,304.00	26,375.94	16,962.22	4	64
Toole	349,988.00	29,904.86	5,791.99	2	19
Treasure	10,480.00	950.40			
Valley	324,965.00	32,795.54	1,659.85		5
Wheatland	5,104.00	531.07			
Wibaux	76,990.00	7,037.55	2,916.00	4	41
Yellowstone	11,690.40	1,167.76	26.56		2
	<u>\$10,177,714.32</u>	<u>\$908,297.06</u>	<u>\$380,439.22</u>	<u>3.7%</u>	<u>42%</u>

55 YEAR SUMMARY

Total Risk Written	\$237,082,574.01
Premium Charge	19,718,438.16
Losses Paid	14,438,284.27
Policies Issued	103,981
Total Acres Insured	22,414,660
Average Accres Per Policy	215.5
Loss Ratio	73 %
Number of Losses Paid	21,701

EXPENDITURE FOR 1971-1972

Personal Service	\$ 38,294.00
Operations	20,099.00
Grants and Benefits	908,776.00
TOTAL EXPENDED	\$967,169.00

SOURCE OF FUNDING

Hail Insurance Account	\$908,776.00
Hail Insurance Administration Account	58,393.00
TOTAL FUNDING	\$967,169.00

HOW TO GET STATE HAIL INSURANCE

APPLY TO THE ASSESSOR OF THE COUNTY IN WHICH YOUR GRAIN IS GROWING

Any owner of Mortgaged Land With Not More Than One Year of Delinquent Tax may secure hail insurance and have it charged to his land along with his other real estate taxes. A policy will be issued and a lien on his crop will be filed with the clerk and recorder.

Any Owner of Unmortgaged Land With Not More Than One Year of Delinquent Tax may secure hail insurance and have it charged to his land along with his other real estate taxes. A lien will not be filed with the county clerk and recorder.

Any tenant desiring hail insurance may secure it by contacting his county assessor. The policy will be approved on a personal assessment basis and an attached lien on his crop will be filed with the county clerk and recorder. This lien will be a first lien on the crop except for one given for the purchase of seed used in planting and producing the insured grain.

Any Tenant who owes for delinquent hail insurance will not receive further hail insurance unless he pays cash for it or unless he pays the delinquent account.

No hail insurance may be charged to any land without the owner's consent. Also no hail insurance may be charged to any lands other than those on which the crops to be insured are growing.

Hail insurance lien are first liens on all insured crops. Except liens given for the purchase of seed used to plant the insured crops.

4% Discount Will be Given Those Who Pay Cash for Their Hail Insurance. For example, if the regular premium figures \$100 and the applicant offers cash for the hail insurance, the county assessor will receive \$96 as full payment.

When To Insure. Experience shows that placing hail insurance on growing crops should not be done until they show a reasonable chance of producing a fair return. No allowance will be made for hail damage on any grain until at least 75% of the plants are plainly stemming. Damage early in the hail season is difficult to estimate and adjustment may be delayed until the extent of the damage may be better estimated. No policies will be issued after August 15th.

How Much Hail Insurance Per Acre. All non-irrigated grain may be insured for not more than \$12 except barley and rye which is limited to \$10. Irrigated grain is limited to not more than \$24 except Barley and Rye which is limited to \$20.

Hail Insurance on Special Crops. Not more than the amounts shown below may be carried per acre on the crops listed:

Irrigated beans, peas, potatoes, corn, mustard and alfalfa seed	\$24.00
Sugar Beets	\$50.00
Non-irrigated rape, safflower, mustard, beans, peas, alfalfa seed and corn	\$12.00
Any hay crop, irrigated or non-irrigated	\$12.00

Hail Liability will continue in force on grain after it has been bound, shocked or windrowed until the insured has had a reasonable time to complete threshing or combining.

Hail Insurance for Shareholders. If all shareholders in any crop desire hail insurance, each is limited in his share per acre in proportion to the share each owns of the whole crop. If other shareholders do not desire hail insurance any shareholder may insure his share for the limit allowed per acre.

When Not to File Loss Claims. Each year a large number of loss claims are filed where little or no hail loss can be found. A careful examination may show a little damage by hessian fly or wheat stem maggot. Or maybe kinked heads or wheat stem sawfly. This damage was overlooked before the storm and was increased by the strong winds accompanying it. None of it is caused by hail. Examination of these fields cost your hail department a lot of unnecessary expense which can be saved by a more careful examination of the fields by the insured.

ADJUSTMENTS OF HAIL LOSSES will be made by adjusters who have had lots of experience in farming and the adjusting of hail losses. Their experience enables them to estimate the loss accurately. They are instructed to give every claim careful consideration and they will fully cooperate with the grain growers in adjusting all losses.

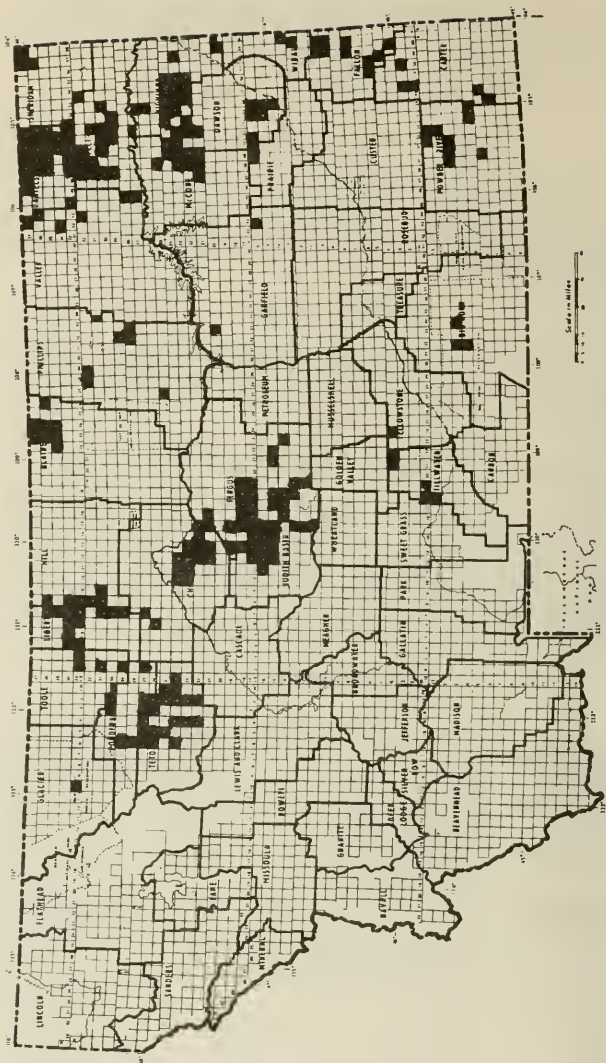
State Hail Insurance liability expires after September 15 on grain and other crops, except sugar beets which expires after September 30.

Reduced Rates in Case of Crop Failure. If any insured crop is badly damaged by other cause than hail and the value of said crop does not exceed \$5.00 per acre, you should notify the State Board of Hail Insurance in Helena promptly or you could ask your assessor for a form to make a report on. Prompt action is very important since the amount of your reduction is determined by the date on which you ask for a reduction.

When to File Claims for Hail Loss. When any insured crop is believed to be damaged at least 5%, the insured must mail a claim for such loss to the State Board of Hail Insurance at Helena, Montana, within three days. If notice of loss is not received within three days, the cost of adjustment may, at the discretion of the Board be charged to the claimant, unless the Board deems the delay excuseable.

Loss claims must be made out by the claimant and signed by him. Loss notices sent in by the assessor and signed by him cannot be accepted.

Your assistance in promptly reporting losses is earnestly solicited.



The shaded areas on this map show the location of all state loss claims filed for the 1972 season.

It is the duty of county assessors to furnish grain growers with full information on State Hail Insurance. This pamphlet is issued for the purpose of helping them do so. It furnishes full information on the operations of the State Hail Department.

Hail Insurance Is a Necessary Cost of Raising Grain

As soon as your crops show a prospect of a fair yield, you should see your assessor and apply for State Hail Insurance. This pamphlet was issued by the

STATE BOARD OF HAIL INSURANCE

502 Lamborn

Helena, Montana 59601

